

SUN MICROSYSTEMS, INC.
 Form 4
 April 30, 2008

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 SCHWARTZ JONATHAN I

2. Issuer Name and Ticker or Trading Symbol
 SUN MICROSYSTEMS, INC.
 [JAVA]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 4150 NETWORK CIRCLE
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 04/28/2008

Director 10% Owner
 Officer (give title below) Other (specify below)
 President and CEO

SANTA CLARA, CA 95054
 (City) (State) (Zip)

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)	4. Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)	5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	04/28/2008		M ⁽¹⁰⁾		50,000	A	\$ 15.52
Common Stock	04/28/2008		F ⁽¹¹⁾		20,165	D	\$ 15.52
					499,038	D	
					478,873 ⁽¹⁾	D	

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

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SEC 1474 (9-02)

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Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned
(e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)	5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4, and 5)	6. Date Exercisable and Expiration Date (Month/Day/Year)	7. Title and Amount of Underlying Securities (Instr. 3 and 4)	8. Fair Value of Derivative Security (Instr. 3 and 4)	
				Code	V (A) (D)	Date Exercisable	Expiration Date	Title	Amount or Number of Shares
Employee Stock Option ⁽²⁾	\$ 160					<u>(3)</u> 04/12/2010	Common Stock	17,500	
Employee Stock Option ⁽²⁾	\$ 180.1252					<u>(3)</u> 06/13/2010	Common Stock	7,500	
Employee Stock Option ⁽²⁾	\$ 74.32					<u>(3)</u> 04/18/2011	Common Stock	50,000	
Employee Stock Option ⁽²⁾	\$ 50.36					<u>(3)</u> 11/07/2011	Common Stock	18,750	
Employee Stock Option ⁽²⁾	\$ 50.36					<u>(3)</u> 11/07/2011	Common Stock	18,750	
Employee Stock Option ⁽²⁾	\$ 36.56					<u>(3)</u> 03/19/2012	Common Stock	50	
Employee Stock Option ⁽²⁾	\$ 25.8					<u>(3)</u> 05/02/2012	Common Stock	50,000	
Employee Stock Option ⁽²⁾	\$ 14.8					<u>(3)</u> 07/25/2012	Common Stock	75,000	
Employee Stock Option ⁽²⁾	\$ 15.4					<u>(4)</u> 07/23/2013	Common Stock	125,000	
Employee Stock Option ⁽²⁾	\$ 15.6					<u>(5)</u> 04/30/2014	Common Stock	250,000	
	\$ 15.16					<u>(6)</u> 07/29/2014		200,000	

Employee Stock Option (Right to Buy) <u>(2)</u>					Common Stock	
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 15.4	<u>(7)</u>	07/28/2015	Common Stock	225,000	
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 19.8	<u>(8)</u>	04/27/2016	Common Stock	500,000	
Employee Stock Option (Right to Buy) <u>(2)</u>	\$ 20.4	<u>(9)</u>	07/31/2017	Common Stock	500,000	

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
SCHWARTZ JONATHAN I 4150 NETWORK CIRCLE SANTA CLARA, CA 95054	X		President and CEO	

Signatures

/s/ Jonathan I.
Schwartz

04/29/2008

 Signature of Reporting
Person

Date

Explanation of Responses:

- * If the form is filed by more than one reporting person, *see* Instruction 4(b)(v).
- ** Intentional misstatements or omissions of facts constitute Federal Criminal Violations. *See* 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).
- (1) This includes 12,500 shares of unvested restricted stock.
- (2) This option was granted under the Sun Microsystems, Inc. 1990 Long-Term Equity Incentive Plan.
- (3) Immediately.
- (4) This option vests and becomes exercisable in five equal annual installments beginning on July 23, 2004.
- (5) This option vests and becomes exercisable in five equal annual installments beginning on April 30, 2005.
- (6) This option vests and becomes exercisable in five equal annual installments beginning on July 29, 2005.
- (7) This option vests and becomes exercisable in five equal annual installments beginning on July 28, 2006.

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- (8) This option vests and becomes exercisable in five equal annual installments beginning on April 27, 2007.
- (9) This option vests and becomes exercisable in five equal annual installments beginning on July 31, 2008.
- (10) This represents performance-based restricted stock units that have vested and are paid out in shares of common stock.
- (11) This represents the surrender of shares to the issuer upon vesting of performance-based restricted stock units to satisfy tax withholding obligations.

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, *see* Instruction 6 for procedure.

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